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October 18, 2018

Honorable Robert D. Drain
United States Bankruptcy Court
300 Quarropas St
White Plains, NY 10601

RE: Milorad Mladenovic
Chapter 13
Case Number: 18-22229
SD&B File Number: 14-035022

Dear Judge Drain:

This loss mitigation status letter is submitted on behalf of Seterus, Inc. as the authorized subservicer for Federal National Mortgage Association ("Fannie Mae"), a corporation organized and existing under the law as of the United States of America ("Seterus"), a secured creditor of the above-referenced Debtor.

My prior status letter (ECF Doc. No. 28, filed August 9, 2018) advised that the Debtor had been denied for a Fannie Mae Flex Modification, due to Seterus' inability to reduce the Debtor's monthly principal and income payment.

On October 10, 2018, the parties had a conference call to discuss financial detail regarding the denial, and to discuss the exception to the denial previously requested by the Debtor's Attorney. On the call, Seterus advised that the existing financial package could be submitted to Fannie Mae for a Non-Delegated Review. While an exception to the denial is unlikely, a Non-Delegated Review would review for a possible exception. Ms. Banton then advised that she would discuss further with her client, given that she believed the Debtor's household income has recently increased.

On October 16, 2018, the Debtor's Attorney confirmed that the Debtor's household income has recently increased, and requested that she submit a completely new package to Seterus for the Non-Delegated Review discussed on the conference call. We have forwarded the Debtor's request regarding the new package to Seterus, and are currently awaiting a response. (Please note that this is slightly different from a traditional change in circumstances review because all parties acknowledge that the monthly payment cannot be reduced as required. As such, we are confirming with Seterus what documents the Debtor should submit for a review for a possible

ATTORNEYS AT LAW

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exception.)

If you have any questions, please do not hesitate to contact the undersigned.

Very truly yours,

/s/ Katherine Heidbrink

Katherine Heidbrink